

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 1.D
Mtg. Date March 17, 2015
Dept. Development Services Department

Item Title: Regional Transportation Congestion Improvement Plan Fee Amendment

Staff Contact: Leon Firsht, City Engineer

Recommendation:

Adopt a resolution (**Attachment B**) amending the Regional Transportation Congestion Improvement Plan Fee.

Item Summary:

The Transnet Extension Ordinance Regional Transportation Congestion Improvement Plan (RTCIP) fee is a transportation mitigation fee collected by local jurisdictions to fund improvements to the regional arterial system. Each year, the SANDAG Board of Directors (Board) may adjust the minimum fee charged.

On February 27, 2015, the Board approved a 2.5 percent increase to the RTCIP fee from \$2,254 to \$2,310 per new dwelling unit. The staff report (**Attachment A**) details the purpose of the RTCIP fee, the rationale for the 2.5 percent fee increase, and how future development will be affected.

Fiscal Impact:

The increase of the fee by \$56 per new dwelling unit will have negligible fiscal impact.

Environmental Review:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Categorical Exemption, Section [] | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting | |

Attachments:

- A. Staff Report
- B. Resolution

LEMON GROVE CITY COUNCIL STAFF REPORT

Item No. 1.D

Mtg. Date March 17, 2015

Item Title: Regional Transportation Congestion Improvement Plan Fee Amendment

Staff Contact: Leon Firsht, City Engineer

Discussion:

On March 18, 2008, the City Council adopted Ordinance No. 372, establishing the requirements and procedures to impose the Regional Transportation Congestion Improvement Plan (RTCIP) fee. The intent of the RTCIP fee is to augment funding for transportation improvements to the Regional Arterial System (RAS). The following roadways in the City that are a part of the RAS include:

- Broadway - Spring Street to College Avenue
- College Avenue - North City limits to Federal Boulevard
- Federal Boulevard - Highway 94 to College Avenue
- Lemon Grove Avenue - Highway 94 to Lisbon
- Massachusetts Avenue - North City limits to Lemon Grove Avenue
- Sweetwater Road - Broadway to South City limits

On April 15, 2008, City Council adopted Resolution No. 2782 establishing the RTCIP fee at \$2,000 per new residential housing unit. Since that time and including this year, the RTCIP fee has been increased seven times by the San Diego Association of Governments Board of Directors, each time by approximately 2 percent, from \$2,000 to \$2,310. The RTCIP fee is collected prior to issuance of building permits for new residential housing units. Failure by the City to collect the RTCIP fee may result in forfeiture of TransNet funds for the following fiscal year.

Since the fee was implemented in 2008, the City has collected a total of \$112,467, with half of the total being collected in FY 2014-15. It is anticipated that the \$56 increase in the fee will not have a dramatic impact on the forecasted amount to be received in FY 2015-16.

It is important to note that the City can hold all RTCIP fees for a period not to exceed seven years before the money must be spent. At this time, staff recommends consolidating all RTCIP fees for an appropriate and affordable congestion relief project, which staff expects to occur before the seven-year expenditure time limit. For those fees approaching the seven-year time limit, staff will expend those funds prior to their expiration. |

Conclusion:

Staff recommends that the City Council adopt the resolution (**Attachment B**) amending the Regional Transportation Congestion Improvement Plan fee. |

Attachment B

RESOLUTION NO. 2015-_____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA AMENDING THE REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PLAN FEE

WHEREAS, on March 18, 2009, City Council adopted Ordinance No. 372, establishing the requirements and procedures to impose the Regional Transportation Congestion Improvement Plan (RTCIP) fee; and

WHEREAS, the intent of the RTCIP fee is to provide and retain purchasing power for funding transportation improvements to the Regional Arterial System (RAS); and

WHEREAS, the City has six streets that are a part of the RAS (these include Broadway, College Avenue, Federal Boulevard, Lemon Grove Avenue, Massachusetts Avenue, and Sweetwater Road); and

WHEREAS, on April 15, 2008, City Council adopted Resolution No. 2782 establishing the RTCIP fee at \$2,000 per residence for new construction; and

WHEREAS, the fee may adjust on July 1 of each year as approved by the San Diego Association of Governments (SANDAG); and

WHEREAS, on February 27, 2015, the SANDAG Board of Directors approved the minimum 2 percent increase to the RTCIP fee, from \$2,254 to \$2,310, effective July 1, 2015; and

WHEREAS, it is anticipated that the increase in the fee will not have a dramatic impact on the forecasted amount to be received in FY 2015-16; and

WHEREAS, amending the RTCIP fee will allow the City to recover costs that would otherwise be absorbed by the General Fund or TransNet Fund.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove, California hereby:

1. Increases the RTCIP fee for each newly constructed residential unit to two thousand three hundred and ten dollars (\$2,310); and
2. Implements the amended RTCIP fee on July 1, 2015.

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